

SAP/NZ/1/7

Final joint  
Ministerial  
statement

**AGREEMENT BETWEEN NEW ZEALAND AND SINGAPORE ON A  
CLOSER ECONOMIC PARTNERSHIP (ANZSCEP):  
JOINT STATEMENT BY NEW ZEALAND MINISTER FOR TRADE  
NEGOTIATIONS, JIM SUTTON, AND SINGAPORE MINISTER FOR  
TRADE AND INDUSTRY, BG GEORGE YEO  
27 NOV 2001**

1. The ANZSCEP came into force on 1 January this year. At our meeting, we reviewed the implementation to date of our Agreement and put in place a work programme, which will give further impetus to reducing barriers to trade in goods and services and encouraging bilateral investment flows.

2. We also took the opportunity to reflect on the strategic reasons for developing our Closer Economic Partnership. We reaffirmed the strategic importance of creating and maintaining open and competitive markets. This has become all the more important in view of the global economic downturn. The comprehensive nature of the Agreement provides a model for others to follow and injects momentum to other regional and multilateral trade initiatives such as APEC and WTO.

**Improved Economic Relations**

3. We noted with satisfaction that economic relations have improved since the conclusion of the CEP. Despite the global downturn, bilateral trade expanded during the first nine months of 2001. In particular, Singapore exported more petroleum and petrochemicals products to New Zealand. New Zealand's exports to Singapore had diversified with increased exports of manufactured items. Strong growth was recorded in exports of mechanical machinery, optical instruments and iron and steel products. We reviewed the operation of the rules of origin and are satisfied that only goods of Singapore and New Zealand origin are benefiting from the preferences accorded under the Agreement.

4. The CEP has raised the profile of each country in the other's market and has stimulated greater interest among our business communities in exploring new opportunities for bilateral trade and investment. Singapore's Economic Development Board has sent three trade missions to New Zealand this year. New Zealand's Minister of Research, Science and Technology led an investment mission to Singapore in September to develop linkages in the IT and biotechnology sectors. We have become close partners in promoting bilateral trade and

investment. We are currently exploring initiatives to promote collaborative opportunities for New Zealand and Singaporean small and medium enterprises.

5. We believe the CEP has laid a good foundation for future bilateral trade in goods and services, and investment. We are committed to building on this momentum to ensure that our CEP achieves its full potential.

### **Work programme**

7. To this end, we have agreed on a work programme that will include the following:

- For statistical clarity, we have agreed to exchange bilateral trade data on a 6-monthly basis.

#### Trade in Goods

- As envisaged in our Agreement, we will review the rules of origin for trade in goods, including the requirements necessary for goods to benefit from the Agreement, with a view to improving bilateral trade flows. In this regard, our officials will draw up recommendations on improved rules for our consideration at the 2003 Ministerial Review.

#### Customs Procedures

- We have agreed to strengthen co-operation in customs procedures and have instructed our officials to finalise in the near future Administrative Guidelines between the relevant authorities on verification of rules of origin of goods. These Guidelines will take into account the systems of both parties.

#### Technical Barriers

- We have instructed our officials to explore widening the existing ANZSCEP sectoral annex on electrical and electronic equipment to include electro-magnetic compatibility (EMC) and gas appliances, as well as working towards mechanisms (such as mutual recognition agreements) to reduce technical barriers to

trade in telecommunications equipment, pharmaceuticals, chemicals, pressure vessels and timber building products.

### Services

- We reaffirm our commitment to progressive liberalisation in trade in services between us. We have instructed our officials to continue work in this regard, including conducting a substantive exchange of sectoral requests and offers, with a view to drawing up recommendations on additional commitments for our consideration. The work programme will include:
  - the scope for improved commitments in telecommunications, postal services, credit reporting services, and disaster insurance, and other sectors as may be mutually agreed.
  - facilitating dialogue between experts in the ten identified priority sectors, namely, engineers, planners, architects, landscape architects, registered valuers, dentists, dental technicians, doctors, nurses, and midwives, as well as any other sector that may be mutually agreed within the next 2 years, with a view to the achievement of early outcomes on the recognition of professional qualifications or registration.

### Investment

- In underscoring the importance of increasing bilateral investment flows for our economic development, we affirm our commitment to liberalising our bilateral investment relationship. To this end, we will actively explore mechanisms for facilitating investment and will review the status of the investment limitations, with a view to reducing or removing them.
- We will work to further promote investment and venture capital flows between the two countries.

### SMEs

- We will seek to establish mechanisms to assist our small and medium enterprises (SMEs) to maximise business opportunities. This may include promotional activities in each other's markets, joint exploration of commercial opportunities in third countries, and other forms of collaboration.

8. We have instructed our officials to start immediate work on this work programme. Officials will meet not less than 6 months prior to the next Ministerial Review with a view to drawing up recommendations for our consideration. We have agreed to meet again in New Zealand in late 2003.